By: Geren H.B. No. 504

Substitute the following for H.B. No. 504:

By: Davis of Harris C.S.H.B. No. 504

A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the use of nonpublic information by former members of
- 3 the legislature; creating an offense.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 39.06, Penal Code, is amended to read as
- 6 follows:
- 7 Sec. 39.06. MISUSE OF OFFICIAL INFORMATION. (a) A public
- 8 servant commits an offense if, in reliance on information to which
- 9 the public servant has access by virtue of the person's office or
- 10 employment and that has not been made public, the person:
- 11 (1) acquires or aids another to acquire a pecuniary
- 12 interest in any property, transaction, or enterprise that may be
- 13 affected by the information;
- 14 (2) speculates or aids another to speculate on the
- 15 basis of the information; or
- 16 (3) as a public servant, including as a school
- 17 administrator, coerces another into suppressing or failing to
- 18 report that information to a law enforcement agency.
- 19 (b) A public servant commits an offense if with intent to
- 20 obtain a benefit or with intent to harm or defraud another, the
- 21 public servant [he] discloses or uses information for a
- 22 nongovernmental purpose that:
- 23 (1) the public servant $[\frac{he}{h}]$ has access to by means of
- 24 the public servant's [his] office or employment; and

- 1 (2) has not been made public.
- 2 (c) A person commits an offense if, with intent to obtain a
- 3 benefit or with intent to harm or defraud another, the public
- 4 <u>servant</u> [he] solicits or receives from a public servant information
- 5 that:
- 6 (1) the public servant has access to by means of the
- 7 <u>public servant's</u> [his] office or employment; and
- 8 (2) has not been made public.
- 9 (c-1) This section applies to a former member of the
- 10 <u>legislature for:</u>
- 11 (1) the period concluding with the end of the
- 12 legislative cycle following the legislative cycle in which the
- 13 former member last served as a member of the legislature;
- 14 (2) information that has not been made public to which
- 15 the former member had access to during the former member's service
- 16 <u>in the legislature; and</u>
- 17 (3) any use in connection with activities that require
- 18 <u>registration under Chapter 305</u>, Government Code.
- 19 (d) In this section:
- (1) $[\tau]$ "information that has not been made public"
- 21 means any information to which the public does not generally have
- 22 access, and that is prohibited from disclosure under Chapter 552,
- 23 Government Code; and
- 24 (2) "Legislative cycle" means the two-year period
- 25 beginning on the first day of a regular legislative session and
- 26 ending on the day before the first day of the succeeding regular
- 27 legislative session.

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- 1 (e) Except as provided by Subsection (f), an offense under
- 2 this section is a felony of the third degree.
- 3 (f) An offense:
- 4 (1) under Subsection (a)(3) is a Class C misdemeanor;
- 5 <u>and</u>
- 6 (2) by a public servant who is a former member of the
- 7 <u>legislature is a Class A misdemeanor</u>.
- 8 SECTION 2. This Act takes effect January 8, 2019.